

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Document Number:

2285269

PluggingBond SuretyID

20050122

APPLICATION FOR PERMIT TO:

1. ☐ Drill, ☐ Deepen, ☐ Re-enter, ☒ **Recomplete and Operate**

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER \_\_\_\_\_  
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: HILCORP ENERGY COMPANY

4. COGCC Operator Number: 10133

5. Address: P O BOX 61229

City: HOUSTON State: TX Zip: 77208

6. Contact Name: JOHN MCKNIGHT Phone: (713)209-2494 Fax: (713)209-2478

Email: CHRIS@BANKO1.COM

7. Well Name: STATE OF COLORADO AB Well Number: 1

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 9808

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 16 Twp: 2S Rng: 66W Meridian: 6

Latitude: 39.876470 Longitude: -104.774140

Footage at Surface: 1980 feet FNL/FSL 660 feet FEL/FWL FEL

11. Field Name: HOLSTER Field Number: 36600

12. Ground Elevation: 5242 13. County: ADAMS

14. GPS Data:

Date of Measurement: 08/17/2006 PDOP Reading: 2.0 Instrument Operator's Name: L. Robbins

15. If well is ☐ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_ Bottom Hole: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 660 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA               | NBRR           |                         | 40                            | NESE                                 |

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 70-8160

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 20110175

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No: ☐ Surface Owners Agreement Attached or ☒ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

S/2, NE/4 Sec. 16 T2S R66W

25. Distance to Nearest Mineral Lease Line: 660 ft

26. Total Acres in Lease: 480

### DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☒ Yes ☐ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☐ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: No drilling will take place

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Wt/Ft      | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|------------|---------------|---------------|-----------|---------|---------|
| SURF        | 12+1/4       | 8+5/8          | 24         | 0             | 352           | 375       | 352     | 0       |
| 1ST         | 7+7/8        | 5+1/2          | 14         | 0             | 8,708         | 400       | 8,708   | 7,576   |
|             |              |                | Stage Tool |               | 1,856         | 300       | 1,848   | 1,150   |

32. BOP Equipment Type: ☐ Annular Preventer ☐ Double Ram ☐ Rotating Head ☒ None

33. Comments HILCORP AGREES TO ADD CEMENT IN THE LOWER AND UPPER ARAPAHOE FORMATION ZONES AS NEEDED PER DIRECTION OF MS. DIANA BURN. RECOMPLETION FORM 4 DOC# 1671223

34. Location ID: 319709

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☐ Yes ☒ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_

Print Name: CHRIS F. MCRICKARD

Title: PROJECT COORDINATOR

Date: 10/21/2011

Email: CHRIS@BANKO1.COM

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin

Director of COGCC Date: 11/16/2011

#### API NUMBER

05 001 06455 00

Permit Number: \_\_\_\_\_ Expiration Date: 11/15/2013

#### CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

Provide remedial cement from current TOC (~1140') 50' into surface shoe.

### Attachment Check List

| Att Doc Num | Name         |
|-------------|--------------|
| 2285269     | APD ORIGINAL |

Total Attach: 1 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>   | <u>Comment Date</u>       |
|-------------------|--|---------------------------|
| Permit            | No LGD or public comment received; final review completed.   | 11/16/2011<br>6:31:03 AM  |
| Permit            | Updated permit with lease and unit information.  | 10/27/2011<br>10:23:32 AM |
| LGD               | Due to the adjacent populated areas, the site will be fenced and locked to preclude all public access into this site. All facilities will be painted to earthtone colors.  | 10/26/2011<br>1:24:15 PM  |
| Permit            | On hold waiting for lease description and a designated unit.   | 10/26/2011<br>1:14:41 PM  |
| Permit            | Input the following information per email from operator.<br>Plugging bond ID #? CO Blanket Plugging bond ID# 20050122<br>GPS data including date PDOP reading and Instr. Op's Name: ? 2 L. Robbins<br>8/17/06<br>Is this area high density? NO.<br>Distance to the nearest building, public road, above ground utility, or railroad? 660'<br>Distance to property line? 660'<br>Distance to nearest well permitted/ completed in the same formation (BHL)? 5280' – nothing within a mile in the same BHL formation.<br>Distance to nearest mineral lease line? 660'<br>Mud disposal location (on or offsite) and method? No mud disposal planned as this is only a recompletion. No drilling will take place.<br>Location ID #? 319709 | 10/26/2011<br>11:07:18 AM |
| Permit            | Missing answers to questions #14, 16, 17, 18, 19, 30, 31. Operator is working on corrections 10/21/11.   | 10/25/2011<br>8:42:14 AM  |
| Data Entry        | CHECK CASING STRING STAGE TOOL INFO FOR ACCURACY.  | 10/24/2011<br>2:46:25 PM  |

Total: 7 comment(s)

### BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
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Total: 0 comment(s)